

104TH CONGRESS
1ST SESSION

H. R. 2789

To amend the Internal Revenue Code of 1986 to provide for the establishment of an intercity passenger rail trust fund, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 15, 1995

Mrs. JOHNSON of Connecticut introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Internal Revenue Code of 1986 to provide for the establishment of an intercity passenger rail trust fund, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Intercity Passenger
5 Rail Trust Fund Act of 1995”.

6 **SEC. 2. INTERCITY PASSENGER RAIL TRUST FUND.**

7 (a) ESTABLISHMENT OF TRUST FUND.—Subchapter
8 A of chapter 98 of the Internal Revenue Code of 1986

1 (relating to trust fund code) is amended by adding at the
 2 end the following new section:

3 **“SEC. 9512. INTERCITY PASSENGER RAIL TRUST FUND.**

4 “(a) CREATION OF TRUST FUND.—There is estab-
 5 lished in the Treasury of the United States a trust fund
 6 to be known as the ‘Intercity Passenger Rail Trust Fund’,
 7 consisting of such amounts as may be transferred or cred-
 8 ited to the Trust Fund as provided in section 9503(c)(7)
 9 or section 9602(b).

10 “(b) EXPENDITURES FROM TRUST FUND.—

11 “(1) IN GENERAL.—Except as provided in para-
 12 graph (2), amounts in the Intercity Passenger Rail
 13 Trust Fund shall be available, as provided by appro-
 14 priation Acts, to finance qualified expenses of—

15 “(A) the National Railroad Passenger Cor-
 16 poration, and

17 “(B) each eligible State, to the extent de-
 18 termined under paragraph (3).

19 “(2) DIRECT SPENDING AMOUNTS.—The follow-
 20 ing amounts in the Intercity Passenger Rail Trust
 21 Fund are hereby appropriated to finance qualified
 22 expenses:

| “Fiscal year: | Amount Available: |
|----------------------|------------------------------|
| 1996 | \$131,000,000 |
| 1997 | 663,000,000 |
| 1998 | 667,000,000 |
| 1999 | 670,000,000 |
| 2000 | 672,000,000. |

1 “(3) MAXIMUM AMOUNT OF FUNDS TO ELIGI-
 2 BLE STATES.—Each eligible State shall receive
 3 under this subsection an amount equal to the lesser
 4 of—

5 “(A) the State’s qualified expenses for the
 6 fiscal year, or

7 “(B) the product of—

8 “(i) $\frac{1}{12}$ of 1 percent of the lesser of—

9 “(I) the aggregate amounts
 10 transferred and credited to the Inter-
 11 city Passenger Rail Trust Fund under
 12 subsection (a) for such fiscal year, or

13 “(II) the aggregate amounts ap-
 14 propriated from the Intercity Pas-
 15 senger Rail Trust Fund under this
 16 subsection for such fiscal year, and

17 “(ii) the number of months such State
 18 was an eligible State in the preceding fiscal
 19 year.

20 If the amount determined under subparagraph (B)
 21 exceeds the amount under subparagraph (A) for any
 22 fiscal year, the amount under subparagraph (B) for
 23 the following fiscal year shall be increased by the
 24 amount of such excess.

25 “(c) DEFINITIONS.—For purposes of this section—

1 “(1) QUALIFIED EXPENSES.—The term ‘quali-
 2 fied expenses’ means expenses incurred, with respect
 3 to obligations made, after December 31, 1995, and
 4 before October 1, 2000—

5 “(A) in the case of—

6 “(i) the National Railroad Passenger
 7 Corporation, for capital improvements in
 8 intercity passenger rail service, or

9 “(ii) an eligible State, for capital im-
 10 provements in intercity rail service, and

11 “(B) certified by the Secretary of Trans-
 12 portation as meeting the requirements of sub-
 13 paragraph (A).

14 “(2) ELIGIBLE STATE.—The term ‘eligible
 15 State’ means any State which does not receive inter-
 16 city passenger rail service from the National Rail-
 17 road Passenger Corporation.

18 “(d) TERMINATION.—The Secretary shall determine
 19 and retain, not later than October 1, 2000, the amount
 20 in the Intercity Passenger Rail Trust Fund necessary to
 21 pay any outstanding qualified expenses, and shall transfer
 22 any amount not so retained to the Mass Transit Account
 23 under section 9503(e).”

24 (b) TRANSFERS FROM HIGHWAY TRUST FUND.—
 25 Section 9503(c) of the Internal Revenue Code of 1986 (re-

1 lating to expenditures from Highway Trust Fund) is
2 amended by adding at the end the following new para-
3 graph:

4 “(7) TRANSFERS FROM TRUST FUND FOR
5 INTERCITY PASSENGER RAIL.—

6 “(A) IN GENERAL.—The Secretary shall
7 transfer from time to time from the Highway
8 Trust Fund to the Intercity Passenger Rail
9 Trust Fund under section 9512 the intercity
10 passenger rail portion of the amounts appro-
11 priated to the Highway Trust Fund under sub-
12 section (b) which are attributable to taxes
13 under sections 4041 and 4081 imposed after
14 December 31, 1995, and before October 1,
15 2000.

16 “(B) INTERCITY PASSENGER RAIL POR-
17 TION.—For purposes of subparagraph (A), the
18 term ‘intercity passenger rail portion’ means
19 the amount—

20 “(i) determined at the rate of 0.5 cent
21 for each gallon with respect to which tax
22 was imposed under section 4041 or 4081,
23 and

24 “(ii) reduced (but not below zero) by
25 the amount by which—

1 “(I) the outlays of the Mass
 2 Transit Account for the fiscal year
 3 with respect to which such tax was
 4 imposed, as estimated by the Sec-
 5 retary, exceed

6 “(II) the available funds in the
 7 Mass Transit Account for such fiscal
 8 year (as so estimated).”

9 (c) CONFORMING AMENDMENTS.—

10 (1) Section 9503(e)(2) of the Internal Revenue
 11 Code of 1986 (relating to transfers to mass transit
 12 account) is amended by striking “4081.” and insert-
 13 ing “4081 (for the period beginning after December
 14 31, 1995, and ending before October 1, 2000, an
 15 amount determined at the rate of 1.5 cents for each
 16 such gallon, increased by the amount described in
 17 subsection (c)(7)(B)(ii)).”.

18 (2) The table of sections for subchapter A of
 19 chapter 98 of such Code (relating to trust fund
 20 code) is amended by adding at the end the following
 21 new item:

“Sec. 9512. Intercity Passenger Rail Trust Fund.”

22 (d) EFFECTIVE DATE.—The amendments made by
 23 this section shall apply with respect to taxes imposed after
 24 December 31, 1995.